

FIRST REGULAR SESSION  
HOUSE COMMITTEE SUBSTITUTE FOR  
**SENATE BILL NO. 500**  
**98TH GENERAL ASSEMBLY**

2201H.03C

D. ADAM CRUMBLISS, Chief Clerk

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**AN ACT**

To repeal sections 142.029, 143.121, 261.241, 414.082, 578.005, 578.007, and 578.011, RSMo, and to enact in lieu thereof eight new sections relating to agriculture, with penalty provisions.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Sections 142.029, 143.121, 261.241, 414.082, 578.005, 578.007, and  
2 578.011, RSMo, are repealed and eight new sections enacted in lieu thereof, to be known as  
3 sections 142.029, 143.121, 261.241, 265.475, 414.082, 578.005, 578.007, and 578.040, to read  
4 as follows:

142.029. Section 142.028 shall expire on December 31, [2015] **2019**.

143.121. 1. The Missouri adjusted gross income of a resident individual shall be the  
2 taxpayer's federal adjusted gross income subject to the modifications in this section.

3 2. There shall be added to the taxpayer's federal adjusted gross income:

4 (1) The amount of any federal income tax refund received for a prior year which resulted  
5 in a Missouri income tax benefit;

6 (2) Interest on certain governmental obligations excluded from federal gross income by  
7 Section 103 of the Internal Revenue Code. The previous sentence shall not apply to interest on  
8 obligations of the state of Missouri or any of its political subdivisions or authorities and shall not  
9 apply to the interest described in subdivision (1) of subsection 3 of this section. The amount  
10 added pursuant to this subdivision shall be reduced by the amounts applicable to such interest  
11 that would have been deductible in computing the taxable income of the taxpayer except only  
12 for the application of Section 265 of the Internal Revenue Code. The reduction shall only be  
13 made if it is at least five hundred dollars;

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

14 (3) The amount of any deduction that is included in the computation of federal taxable  
15 income pursuant to Section 168 of the Internal Revenue Code as amended by the Job Creation  
16 and Worker Assistance Act of 2002 to the extent the amount deducted relates to property  
17 purchased on or after July 1, 2002, but before July 1, 2003, and to the extent the amount  
18 deducted exceeds the amount that would have been deductible pursuant to Section 168 of the  
19 Internal Revenue Code of 1986 as in effect on January 1, 2002;

20 (4) The amount of any deduction that is included in the computation of federal taxable  
21 income for net operating loss allowed by Section 172 of the Internal Revenue Code of 1986, as  
22 amended, other than the deduction allowed by Section 172(b)(1)(G) and Section 172(i) of the  
23 Internal Revenue Code of 1986, as amended, for a net operating loss the taxpayer claims in the  
24 tax year in which the net operating loss occurred or carries forward for a period of more than  
25 twenty years and carries backward for more than two years. Any amount of net operating loss  
26 taken against federal taxable income but disallowed for Missouri income tax purposes pursuant  
27 to this subdivision after June 18, 2002, may be carried forward and taken against any income on  
28 the Missouri income tax return for a period of not more than twenty years from the year of the  
29 initial loss; and

30 (5) For nonresident individuals in all taxable years ending on or after December 31,  
31 2006, the amount of any property taxes paid to another state or a political subdivision of another  
32 state for which a deduction was allowed on such nonresident's federal return in the taxable year  
33 unless such state, political subdivision of a state, or the District of Columbia allows a subtraction  
34 from income for property taxes paid to this state for purposes of calculating income for the  
35 income tax for such state, political subdivision of a state, or the District of Columbia.

36 3. There shall be subtracted from the taxpayer's federal adjusted gross income the  
37 following amounts to the extent included in federal adjusted gross income:

38 (1) Interest or dividends on obligations of the United States and its territories and  
39 possessions or of any authority, commission or instrumentality of the United States to the extent  
40 exempt from Missouri income taxes pursuant to the laws of the United States. The amount  
41 subtracted pursuant to this subdivision shall be reduced by any interest on indebtedness incurred  
42 to carry the described obligations or securities and by any expenses incurred in the production  
43 of interest or dividend income described in this subdivision. The reduction in the previous  
44 sentence shall only apply to the extent that such expenses including amortizable bond premiums  
45 are deducted in determining the taxpayer's federal adjusted gross income or included in the  
46 taxpayer's Missouri itemized deduction. The reduction shall only be made if the expenses total  
47 at least five hundred dollars;

48 (2) The portion of any gain, from the sale or other disposition of property having a higher  
49 adjusted basis to the taxpayer for Missouri income tax purposes than for federal income tax

50 purposes on December 31, 1972, that does not exceed such difference in basis. If a gain is  
51 considered a long-term capital gain for federal income tax purposes, the modification shall be  
52 limited to one-half of such portion of the gain;

53 (3) The amount necessary to prevent the taxation pursuant to this chapter of any annuity  
54 or other amount of income or gain which was properly included in income or gain and was taxed  
55 pursuant to the laws of Missouri for a taxable year prior to January 1, 1973, to the taxpayer, or  
56 to a decedent by reason of whose death the taxpayer acquired the right to receive the income or  
57 gain, or to a trust or estate from which the taxpayer received the income or gain;

58 (4) Accumulation distributions received by a taxpayer as a beneficiary of a trust to the  
59 extent that the same are included in federal adjusted gross income;

60 (5) The amount of any state income tax refund for a prior year which was included in the  
61 federal adjusted gross income;

62 (6) The portion of capital gain specified in section 135.357 that would otherwise be  
63 included in federal adjusted gross income;

64 (7) The amount that would have been deducted in the computation of federal taxable  
65 income pursuant to Section 168 of the Internal Revenue Code as in effect on January 1, 2002,  
66 to the extent that amount relates to property purchased on or after July 1, 2002, but before July  
67 1, 2003, and to the extent that amount exceeds the amount actually deducted pursuant to Section  
68 168 of the Internal Revenue Code as amended by the Job Creation and Worker Assistance Act  
69 of 2002;

70 (8) For all tax years beginning on or after January 1, 2005, the amount of any income  
71 received for military service while the taxpayer serves in a combat zone which is included in  
72 federal adjusted gross income and not otherwise excluded therefrom. As used in this section,  
73 "combat zone" means any area which the President of the United States by Executive Order  
74 designates as an area in which Armed Forces of the United States are or have engaged in combat.  
75 Service is performed in a combat zone only if performed on or after the date designated by the  
76 President by Executive Order as the date of the commencing of combat activities in such zone,  
77 and on or before the date designated by the President by Executive Order as the date of the  
78 termination of combatant activities in such zone; [and]

79 (9) For all tax years ending on or after July 1, 2002, with respect to qualified property  
80 that is sold or otherwise disposed of during a taxable year by a taxpayer and for which an  
81 additional modification was made under subdivision (3) of subsection 2 of this section, the  
82 amount by which additional modification made under subdivision (3) of subsection 2 of this  
83 section on qualified property has not been recovered through the additional subtractions provided  
84 in subdivision (7) of this subsection; **and**

85           **(10) For all tax years beginning on or after January 1, 2014, the amount of any**  
86 **income received as payment from any program which provides compensation to**  
87 **agricultural producers who have suffered a loss as the result of a disaster or emergency,**  
88 **including the:**

89           **(a) Livestock Forage Disaster Program;**

90           **(b) Livestock Indemnity Program;**

91           **(c) Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish;**

92           **(d) Emergency Conservation Program;**

93           **(e) Noninsured Crop Disaster Assistance Program;**

94           **(f) Pasture, Rangeland, Forage Pilot Insurance Program;**

95           **(g) Annual Forage Pilot Program;**

96           **(h) Livestock Risk Protection Insurance Plan; and**

97           **(i) Livestock Gross Margin Insurance Plan.**

98           4. There shall be added to or subtracted from the taxpayer's federal adjusted gross  
99 income the taxpayer's share of the Missouri fiduciary adjustment provided in section 143.351.

100           5. There shall be added to or subtracted from the taxpayer's federal adjusted gross  
101 income the modifications provided in section 143.411.

102           6. In addition to the modifications to a taxpayer's federal adjusted gross income in this  
103 section, to calculate Missouri adjusted gross income there shall be subtracted from the taxpayer's  
104 federal adjusted gross income any gain recognized pursuant to Section 1033 of the Internal  
105 Revenue Code of 1986, as amended, arising from compulsory or involuntary conversion of  
106 property as a result of condemnation or the imminence thereof.

107           7. (1) As used in this subsection, "qualified health insurance premium" means the  
108 amount paid during the tax year by such taxpayer for any insurance policy primarily providing  
109 health care coverage for the taxpayer, the taxpayer's spouse, or the taxpayer's dependents.

110           (2) In addition to the subtractions in subsection 3 of this section, one hundred percent  
111 of the amount of qualified health insurance premiums shall be subtracted from the taxpayer's  
112 federal adjusted gross income to the extent the amount paid for such premiums is included in  
113 federal taxable income. The taxpayer shall provide the department of revenue with proof of the  
114 amount of qualified health insurance premiums paid.

115           8. (1) Beginning January 1, 2014, in addition to the subtractions provided in this section,  
116 one hundred percent of the cost incurred by a taxpayer for a home energy audit conducted by an  
117 entity certified by the department of natural resources under section 640.153 or the  
118 implementation of any energy efficiency recommendations made in such an audit shall be  
119 subtracted from the taxpayer's federal adjusted gross income to the extent the amount paid for  
120 any such activity is included in federal taxable income. The taxpayer shall provide the

121 department of revenue with a summary of any recommendations made in a qualified home  
122 energy audit, the name and certification number of the qualified home energy auditor who  
123 conducted the audit, and proof of the amount paid for any activities under this subsection for  
124 which a deduction is claimed. The taxpayer shall also provide a copy of the summary of any  
125 recommendations made in a qualified home energy audit to the department of natural resources.

126 (2) At no time shall a deduction claimed under this subsection by an individual taxpayer  
127 or taxpayers filing combined returns exceed one thousand dollars per year for individual  
128 taxpayers or cumulatively exceed two thousand dollars per year for taxpayers filing combined  
129 returns.

130 (3) Any deduction claimed under this subsection shall be claimed for the tax year in  
131 which the qualified home energy audit was conducted or in which the implementation of the  
132 energy efficiency recommendations occurred. If implementation of the energy efficiency  
133 recommendations occurred during more than one year, the deduction may be claimed in more  
134 than one year, subject to the limitations provided under subdivision (2) of this subsection.

135 (4) A deduction shall not be claimed for any otherwise eligible activity under this  
136 subsection if such activity qualified for and received any rebate or other incentive through a  
137 state-sponsored energy program or through an electric corporation, gas corporation, electric  
138 cooperative, or municipally owned utility.

139 9. The provisions of subsection 8 of this section shall expire on December 31, 2020.

261.241. 1. Sellers of [jams, jellies, and] honey whose annual sales of [jams, jellies, and]  
2 honey are [thirty] **fifty** thousand dollars or less per domicile shall not be required to construct  
3 or maintain separate facilities for the [manufacture] **bottling** of [jams, jellies, and] honey. Such  
4 sellers shall be exempt from all remaining health standards and regulations for the [manufacture]  
5 **bottling** of [jams, jellies, and] honey pursuant to sections 196.190 to 196.271 if they meet the  
6 following requirements:

7 (1) [Jams, jellies, and] Honey shall be [manufactured] **bottled** in the domicile of the  
8 person [processing] **harvesting** and selling the [jams, jellies, and] honey [and sold by the  
9 manufacturer to the end consumer];

10 (2) [Jams, jellies, and] Honey shall be labeled with the following information in legible  
11 English as set forth in subsection 2 of this section;

12 (3) [During the sale of such jams, jellies, and honey, a placard shall be displayed in a  
13 prominent location stating the following: "This product has not been inspected by the  
14 Department of Health and Senior Services.";

15 (4) Annual gross sales shall not exceed [thirty] **fifty** thousand dollars. The person  
16 [manufacturing] **harvesting** such [jams, jellies, and] honey shall maintain a record of sales of

17 [jams, jellies, and] honey [processed] **bottled** and sold. The record shall be available to the  
18 regulatory authority when requested.

19 2. The [jams, jellies, and] honey shall be labeled with the following information:

20 (1) Name and address of the persons preparing the food;

21 (2) Common name of the food; **and**

22 (3) The name of all ingredients in the food[; and

23 (4) Statement that the jams, jellies, and honey have not been inspected by the department  
24 of health and senior services].

25 3. Sellers of [jams, jellies, and] honey who violate the provisions of this section may be  
26 enjoined from selling [jams, jellies, and] honey by the department of health and senior services.

**265.475. 1. Any commercial slaughter plant or meat processor that has been  
2 inspected by the department of agriculture under chapter 265 or the United States  
3 Department of Agriculture under 9 CFR 352 may slaughter and process captive cervids  
4 for human consumption if the captive cervids are from a herd that participates in a United  
5 States Department of Agriculture herd certification program.**

6 **2. The sale of captive cervid meat slaughtered and processed at a facility in  
7 compliance with the provisions of subsection 1 of this section shall not be prohibited or  
8 restricted.**

9 **3. Any licensed hunting preserve or licensed deer breeder shall be allowed to  
10 slaughter and process any captive cervids owned by such preserve or breeder at a facility  
11 in compliance with the provisions of subsection 1 of this section at any time of year. The  
12 department of agriculture may establish rules and regulations relating to the slaughter and  
13 processing of captive cervids under this section.**

14 **4. Any rule or portion of a rule, as that term is defined in section 536.010, that is  
15 created under the authority delegated in this section shall become effective only if it  
16 complies with and is subject to all of the provisions of chapter 536 and, if applicable,  
17 section 536.028. This section and chapter 536 are nonseverable, and if any of the powers  
18 vested with the general assembly under chapter 536 to review, to delay the effective date,  
19 or to disapprove and annul a rule are subsequently held unconstitutional, then the grant  
20 of rulemaking authority and any rule proposed or adopted after August 28, 2015, shall be  
21 invalid and void.**

414.082. 1. The fee for the inspection of gasoline, gasoline-alcohol blends, kerosene,  
2 diesel fuel, heating oil, aviation turbine fuel, and other motor fuels under this chapter shall be  
3 fixed by the director of revenue at a rate per barrel which will approximately yield revenue equal  
4 to the expenses of administering this chapter; except that, until December 31, [1993, the rate  
5 shall be one and one-half cents per barrel and beginning January 1, 1994, the fee shall not be less

6 than one and one-half cents per barrel nor exceed two and one-half **2015, the rate shall not**  
7 **exceed two and one-half cents per barrel, from January 1, 2015, through December 31,**  
8 **2020, the rate shall not exceed four cents per barrel, and after January 1, 2021, the rate**  
9 **shall not exceed five cents per barrel.**

10 2. Annually the director of the department of agriculture shall ascertain the total  
11 expenses for administering sections 414.012 to 414.152 during the preceding year, and shall  
12 forward a copy of such expenses to the director of revenue. The director of revenue shall fix the  
13 inspection fee for the ensuing calendar year at such rate per barrel, within the limits established  
14 by subsection 1 of this section, as will approximately yield revenue equal to the expenses of  
15 administering sections 414.012 to 414.152 during the preceding calendar year and shall collect  
16 the fees and deposit them in the state treasury to the credit of the "Petroleum Inspection Fund"  
17 which is hereby created. Beginning July 1, 1988, all expenses of administering sections 414.012  
18 to 414.152 shall be paid from appropriations made out of the petroleum inspection fund.

19 3. The unexpended balance in the fund at the end of each fiscal year shall not be  
20 transferred to the general revenue fund of the state, and the provisions of section 33.080 relating  
21 to the transfer of funds to the general revenue fund of the state by the state treasurer shall not  
22 apply to this fund.

23 4. The state treasurer shall invest all sums in the petroleum inspection fund not needed  
24 for current operating expenses in interest-bearing banking accounts or United States government  
25 obligations in the manner provided by law. All yield, increment, gain, interest or income derived  
26 from the investment of these sums shall accrue to the benefit of, and be deposited within the state  
27 treasury to the credit of, the petroleum inspection fund.

578.005. As used in sections 578.005 to 578.023, the following terms shall mean:

2 (1) "Adequate care", normal and prudent attention to the needs of an animal, including  
3 wholesome food, clean water, shelter and health care as necessary to maintain good health in a  
4 specific species of animal;

5 (2) ["Adequate control", to reasonably restrain or govern an animal so that the animal  
6 does not injure itself, any person, any other animal, or property;

7 (3)] "Animal", every living vertebrate except a human being;

8 [(4)] (3) "Animal shelter", a facility which is used to house or contain animals and  
9 which is owned, operated, or maintained by a duly incorporated humane society, animal welfare  
10 society, society for the prevention of cruelty to animals, or other not-for-profit organization  
11 devoted to the welfare, protection, and humane treatment of animals;

12 [(5)] (4) "Farm animal", an animal raised on a farm or ranch and used or intended for  
13 use in farm or ranch production, or as food or fiber;

14            [(6)] (5) "Farm animal professional", any individual employed at a location where farm  
15 animals are harbored;

16            [(7)] (6) "Harbor", to feed or shelter an animal at the same location for three or more  
17 consecutive days;

18            [(8)] (7) "Humane killing", the destruction of an animal accomplished by a method  
19 approved by the American Veterinary Medical Association's Panel on Euthanasia (JAVMA 173:  
20 59-72, 1978); or more recent editions, but animals killed during the feeding of pet carnivores  
21 shall be considered humanely killed;

22            [(9)] (8) "Owner", in addition to its ordinary meaning, any person who keeps or harbors  
23 an animal or professes to be owning, keeping, or harboring an animal;

24            [(10)] (9) "Person", any individual, partnership, firm, joint stock company, corporation,  
25 association, trust, estate, or other legal entity;

26            [(11)] (10) "Pests", birds, rabbits, or rodents which damage property or have an adverse  
27 effect on the public health, but shall not include any endangered species listed by the United  
28 States Department of the Interior nor any endangered species listed in the Wildlife Code of  
29 Missouri.

                 578.007. The provisions of sections 578.005 to 578.023 **and section 578.040** shall not  
2 apply to:

3            (1) Care or treatment performed by a licensed veterinarian within the provisions of  
4 chapter 340;

5            (2) Bona fide scientific experiments;

6            (3) Hunting, fishing, or trapping as allowed by chapter 252, including all practices and  
7 privileges as allowed under the Missouri Wildlife Code;

8            (4) Facilities and publicly funded zoological parks currently in compliance with the  
9 federal "Animal Welfare Act" as amended;

10           (5) Rodeo practices currently accepted by the Professional Rodeo Cowboy's Association;

11           (6) The killing of an animal by the owner thereof, the agent of such owner, or by a  
12 veterinarian at the request of the owner thereof;

13           (7) The lawful, humane killing of an animal by an animal control officer, the operator  
14 of an animal shelter, a veterinarian, or law enforcement or health official;

15           (8) With respect to farm animals, normal or accepted practices of animal husbandry;

16           (9) The killing of an animal by any person at any time if such animal is outside of the  
17 owned or rented property of the owner or custodian of such animal and the animal is injuring any  
18 person or farm animal but shall not include police or guard dogs while working;

19           (10) The killing of house or garden pests; or

20 (11) Field trials, training and hunting practices as accepted by the Professional  
21 Houndsmen of Missouri.

[578.011.] **578.040. 1. For purposes of this section, the following terms shall mean:**

2 (1) "Adequate control", to reasonably restrain or govern an animal so that the  
3 animal does not injure itself, any person, any other animal, or property;

4 (2) "Animal", any living vertebrate except a human being or livestock as the term  
5 "livestock" is defined under section 265.300.

6 2. A person [is guilty] **commits the offense** of animal or livestock trespass if a person:

7 (1) Having ownership or custody of an animal knowingly fails to provide adequate  
8 control [for a period equal to or exceeding twelve hours] **and the animal trespasses onto**  
9 **another person's property; or**

10 (2) **Having ownership or custody of livestock as the term "livestock" is defined**  
11 **under section 265.300 knowingly fails to provide adequate control of the livestock for a**  
12 **period of twelve hours or more, and the livestock trespasses onto another person's**  
13 **property.**

14 [2.] **3. The offense of animal or livestock** trespass is an infraction [upon first conviction  
15 and for each offense punishable by a fine not to exceed two hundred dollars, and] , **unless the**  
16 **person has previously been found guilty of a violation of this section in which case it is a**  
17 **class C misdemeanor** [punishable by imprisonment or a fine not to exceed five hundred dollars,  
18 or both, upon the second and all subsequent convictions]. All fines for a first [conviction of  
19 animal trespass] **finding of guilt under this section** may be waived by the court provided that  
20 the person found guilty of animal or livestock trespass shows that adequate, permanent remedies  
21 for **the** trespass have been made. [Reasonable costs incurred for the care and maintenance of  
22 trespassing animals may not be waived.] This section shall not apply to the provisions of section  
23 578.007 or sections 272.010 to 272.370.

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